

MEMORANDUM OF AGREEMENT
BETWEEN COMMANDER, NAVY INSTALLATIONS COMMAND'S
COMMUNITY SUPPORT PROGRAMS (N2)
AND
HOUSING PROGRAM (N7)

1. PURPOSE

a. The purpose of this Memorandum of Agreement (Agreement) is to set out the provisions of a cooperative working arrangement between two divisions of Commander, Navy Installations Command. The Community Support Program (**N2**), will hereinafter be referred to as "**N2**," and the Navy Housing Program (**N7**), will hereinafter be referred to as "**N7**."

b. The term Agreement also applies to any amendment and annexes thereto, and their related documents, such as implementing arrangements, supplementary arrangements, technical arrangements or any other documents, whether they be stand-alone or based on an existing Agreement.

c. Consistent with the provisions set forth in this Agreement, and for financial consideration as discussed later in this Agreement, **N2** will purchase and make available 200 Recreational Vehicle (RV) trailers to **N7**.

2. AUTHORITY. 10 U.S.C. §2492

"§2492. Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services.

An agency or instrumentality of the Department of Defense that supports the operation of the exchange system, or the operation of a morale, welfare, and recreation system, of the Department of the Defense may enter into a contract or other agreement with another element of the Department of Defense or with another

Federal department, agency, or instrumentality to provide or obtain goods and services beneficial to the efficient management and operation of the exchange system or that morale, welfare, and recreation system."

3. SCOPE. This Agreement applies to all RV trailers provided to **N7** for use in the Navy Housing program.

4. RESPONSIBILITIES

a. **N2**, in carrying out the provisions of this Agreement, is responsible for and will perform the following:

(1) Purchase and ultimately deliver 200 RV trailers to **N7** for use in the Navy Housing program. RV trailers will be made available to and accepted by **N7** for 12-month minimum period of time.

(2) Ensure official records are maintained on each RV trailer purchased and made available to **N7** through this Agreement. Original purchase documents, completed inspection and checklists, history of repairs and maintenance, and transfer of custody documents will be maintained, at a minimum.

(3) Coordinate with Morale, Welfare, and Recreation (MWR) site managers in the Southeast, Gulf and South regions regarding the delivery, inspection, and acceptance of said RV trailers. Local MWR site managers will officially deliver the RV Trailers to local Navy Housing management.

(4) At the conclusion of each trailer's lease, MWR site managers in the Southeast, Gulf, and South regions will coordinate with **N7** Navy Housing staff to ensure each trailer is inspected and returned to Navy MWR.

(5) In the event of damage, destruction or loss of said trailers, MWR site managers will prepare and submit requests for reimbursement to **N7** via **N25** and **N25L**, within 60 days of learning of such damage, destruction or loss.

(6) Ensure a thorough pre-acceptance checklist and inspection is performed when receiving RV trailers from the manufacturer or dealership, and ensuring a record of the inspection and any action taken to correct deficiencies is placed in the MWR property file created for that particular trailer. Each trailer must pass a MWR pre-acceptance inspection before being made available to **N7**.

(7) Likewise, when a trailer is returned to Navy MWR, a post-use inspection and checklist will be completed to determine if any damages, absent normal wear-and-tear, were sustained to the RV trailer. Once completed, Navy MWR and Navy Housing representatives will sign the post-use inspection checklist.

(8) Provide local Navy Housing manager with letter of intent to seek reimbursement for damages, destruction or loss of trailers, when applicable.

(9) Once the RV trailers have served their leased purpose and have been properly returned to Navy MWR, said trailers will be added to the inventory of available assets and become an integral part of the Navy MWR Recreational Lodging program.

b. **N7**, in carrying out the provisions of this Agreement, is responsible for and will perform the following:

(1) Local Navy Housing manager, on behalf of **N7**, will conduct a pre-acceptance inspection and complete the checklist provided by Navy MWR.

(2) Local Navy Housing manager, on behalf of **N7**, will ensure training, education, and assistance regarding RV trailer usage is provided.

(3) Local Navy Housing manager, on behalf of **N7**, is responsible for the administration and enforcement of any housing rules and regulations for personnel utilizing RV trailers through the housing program.

(4) Local Navy Housing manager, on behalf of **N7**, is responsible for the general maintenance of subject trailers and providing all other services typically associated with operating and managing an RV park. Such maintenance will include, but is not limited to, repairs to RV trailers, water and utility connection, landscape, debris removal, trouble calls, and waste and septic removal.

(5) Local Navy Housing manager, on behalf of **N7**, will ensure proper procedures are in place to receive the RV trailer once the RV trailer has been vacated. It is also incumbent upon the local Navy Housing manager to communicate and coordinate with the local MWR site manager to have the RV trailer returned to Navy MWR custody.

5. FINANCIAL ARRANGEMENT. As required by 10 U.S.C. §2492, through this Agreement, the NAFI has ensured that the Agreement financially benefits the NAFI, having considered all fixed and variable direct and overhead costs (including depreciation). This Agreement specifies for the payment of all charges,

assessments, and expenses for securing RV trailers and associated services to be incurred by **N7**, as well as the required profit margin made payable to **N2**, thus, demonstrating the financial benefit to the NAFI, as well as the efficient management and operation of the NAFI. Payment of appropriated funds to **N2** shall be as set forth herein:

a. Billing for the trailer begins once the pre-acceptance inspection and checklist has been completed by Navy MWR and **N7** or its designated official (local Navy Housing representative) has been officially notified that the RV trailer is on site and available for use.

b. **N7** will make quarterly payments of \$40.00 per day, per trailer based on billing from **N25** for each trailer made available through this Agreement. Payments are to be made within 15 days of the end of each quarter (31 December, 31 March, 30 June, and 30 September).

c. **N7** will make payment to **N25** within 30 days of receipt of any substantiated request for reimbursement for damage, destruction or loss (exceeding normal wear and year) sustained to any of trailers made available through this Agreement.

6. **PERIOD OF PERFORMANCE/TERMINATION.** This Agreement is effective upon the last signature of both parties and shall remain in effect for a minimum period of twelve months, with a twelve month renewal option that must be officially waived or exercised 30 days prior to the expiration of this Agreement.

7. **MODIFICATIONS.** Authority to modify this Agreement is expressly limited to the signatories below. This Agreement may only be modified through bilateral agreement between the parties. This Agreement sets forth our entire Agreement and supercedes all prior understandings, oral or written. No representations have been relied upon by either party except as specifically set forth herein. Any amendments or modifications must be signed by both parties.

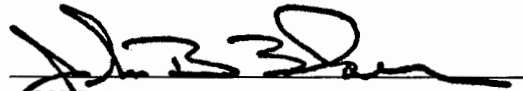
8. **RESOLUTION OF DISAGREEMENTS.** Any dispute arising under this Agreement, which is not disposed of by agreement of the parties, shall be submitted jointly to the signatories of this Agreement. A joint decision of the signatories or their designees shall be the disposition of such dispute. Pending the resolution of any dispute or claim pursuant to this article, the parties agree that performance of all obligations shall be pursued diligently

in accordance with the direction of Commander, Navy Installations Command.

9. **EFFECTIVE PERIOD/CHANGES.** This Agreement, as amended, is effective upon receipt of signature of both parties and shall remain in effect for a period of one year, with a one-year renewal option that must be officially waived or exercised 60 days prior to the expiration of this Agreement.

Agreed and Accepted by:

For N2:



JOHN B. BAKER
DIRECTOR,
COMMUNITY SUPPORT PROGRAMS
COMMANDER, NAVY INSTALLATIONS

DATE: OCT 13 2005

For N7:



ALAN BERGO
DIRECTOR,
NAVY HOUSING PROGRAMS
COMMANDER, NAVY INSTALLATIONS

DATE: OCT 13 2005